COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.:   1930-01
Bill No.:   HB 776
Subject: Retirement - Local Government; Saint Louis
Type: Original
Date: March 16, 2011

Bill Summary: This proposal changes the laws regarding the Police Retirement System of
                       St. Louis.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on Other State Funds	**$0**	**$0**	**$0**

Numbers within parentheses: ( ) indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	**0**	**0**	**0**

☐ Estimated Total Net Effect on All funds expected to exceed $100,000 savings or (cost).

☐
Estimated Net Effect on General Revenue Fund expected to exceed $100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government*	**$450,000**	**$600,000**	**$600,000**

*The provisions of this proposal would decrease the Unfunded Actuarial Accrued Liability of the Saint Louis Police Retirement System.

FISCAL ANALYSIS

ASSUMPTION

The **Joint Committee on Public Retirement** indicates that this legislation does represent a "substantial proposed change" in future plan benefits as defined in Section 105.660(5). Therefore, an actuarial cost statement as defined in Section 105.665 must be provided prior to final action on this legislation by either legislative body or committee thereof.

Pursuant to Section 105.670, this actuarial cost statement must be filed with 1) the Chief Clerk of the Missouri House of Representatives, 2) the Secretary of the Senate and 3) the Joint Committee on Public Employee Retirement as public information for at least (5) legislative days before final passage of the bill.

An actuarial cost statement for this legislation has been filed with the Joint Committee on Public Employee Retirement.

Officials from the **Local Government Employees' Retirement System** assume there will be no fiscal impact to their agency.

Officials from the **Police Retirement System of St. Louis** assume this proposal will reduce the actuarial liability to the retirement plan by decreasing the annual employer contribution approximately by $600,000 (-0.9% of pay) and would decrease the unfunded actuarial accrued liability.

FISCAL IMPACT - State Government	FY 2012 (10 Mo.)	FY 2013	FY 2014
	$0	**$0**	**$0**

FISCAL IMPACT - Local Government	FY 2012 (9 Mo.)	FY 2013	FY 2014
SAINT LOUIS POLICE RETIREMENT SYSTEM			
Savings - Decrease in employer contribution	$450,000	$600,000	$600,000
ESTIMATED NET EFFECT ON SAINT LOUIS POLICE RETIREMENT SYSTEM *	**$450,000**	**$600,000**	**$600,000**

*The provisions of this proposal would decrease the Unfunded Actuarial Accrued Liability of the Saint Louis Police Retirement System.

FISCAL IMPACT - Small Business

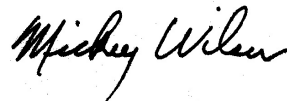No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation would change the laws regarding the Police Retirement System of St. Louis.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Joint Committee on Public Employee Retirement
Local Government Employees Retirement System
St. Louis Police Retirement System

Mickey Wilson, CPA
Director
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VL:LR:OD (12/02)